

**Northern Border Partners, L.P.**

**Financial Highlights**

(Unaudited: In Millions)

|                                      | <b>First Quarter</b> |                    |
|--------------------------------------|----------------------|--------------------|
|                                      | <b><u>2001</u></b>   | <b><u>2000</u></b> |
| Operating Revenue                    | \$88.0               | \$81.5             |
| Recurring Net Income                 | \$20.4               | \$18.0             |
| Per Unit Recurring Net Income        | \$0.62               | \$0.59             |
| Cash Flows From Operating Activities | \$39.2               | \$37.4             |
| EBITDA*                              | \$67.5               | \$61.0             |

**Consolidated Statement of Income**

(Unaudited: In Millions Except Net Income Per Unit)

|   | <b>First Quarter</b> |                    |
|---|----------------------|--------------------|
|   | <b><u>2001</u></b>   | <b><u>2000</u></b> |
| Operating Revenue                           | \$88.0               | \$81.5             |
| Operating Expenses                          |                      |                    |
| Operations and Maintenance                  | 16.0                 | 12.8               |
| Depreciation and Amortization               | 15.7                 | 15.5               |
| Taxes Other Than Income                     | 4.1                  | 7.9                |
| Total Operating Expenses                    | <u>35.8</u>          | <u>36.2</u>        |
| Operating Income                            | 52.2                 | 45.3               |
| Interest Expense, Net                       | (21.7)               | (18.7)             |
| Other Income (Expense)                      | (1.5)                | 0.4                |
| Equity Earnings (Losses) from Investments   | (0.2)                | (0.4)              |
| Minority Interest                           | <u>(10.8)</u>        | <u>(8.6)</u>       |
| Net Income                                  | \$18.0               | \$18.0             |
| Non-Recurring Items                         | <u>(2.4)</u>         | <u>0.0</u>         |
| Recurring Net Income                        | <u>\$20.4</u>        | <u>\$18.0</u>      |
| EBITDA*                                     | <u>\$67.5</u>        | <u>\$61.0</u>      |
| Per Unit Net Income                         | <u>\$0.54</u>        | <u>\$0.59</u>      |
| Per Unit Recurring Net Income               | <u>\$0.62</u>        | <u>\$0.59</u>      |
| Average Units Outstanding                   | <u>31.6</u>          | <u>29.3</u>        |
| Capital Expenditures and Equity Investments |                      |                    |
| Maintenance -                               |                      |                    |
| Northern Border Pipeline                    | \$0.6                | \$0.0              |
| Black Mesa                                  | 0.1                  | 0.0                |
| Growth -                                    |                      |                    |
| Northern Border Pipeline                    | 2.7                  | 0.3                |
| Crestone/Bear Paw                           | 405.6                | 2.1                |
|   | <u>\$409.0</u>       | <u>\$2.4</u>       |

\*Represents net income plus minority interest, interest expense, net and depreciation and amortization less equity AFUDC.

## Operating Highlights

(Unaudited)

|  | <b>First Quarter</b> |               |
|--|----------------------|---------------|
| <b>Northern Border Pipeline Company</b>                    | <b>2001</b>          | <b>2000</b>   |
| Operating Results:   |                      |               |
| Gas Delivered (MMcf)                                       | 214,312              | 212,647       |
| Average Throughput (MMcf/d)                                | 2,456                | 2,410         |
| Transportation Units (million<br>dekatherm miles per day): |                      |               |
| Firm Service   | 2,277                | 2,311         |
| Interruptible Service                                      | 73                   | 8             |
| Financial Results (In Millions):                           |                      |               |
| Operating Revenue  | <u>\$77.0</u>        | <u>\$76.2</u> |
| Operating Expenses   |                      |               |
| Operations and Maintenance                                 | 8.5                  | 9.1           |
| Depreciation and Amortization                              | 14.5                 | 14.8          |
| Taxes Other Than Income                                    | 3.7                  | 7.7           |
| Total Operating Expenses                                   | <u>26.7</u>          | <u>31.6</u>   |
| Operating Income   | 50.3                 | 44.6          |
| Interest Expense, Net                                      | (15.0)               | (16.3)        |
| Other Income   | <u>0.6</u>           | <u>0.4</u>    |
| Net Income   | 35.9                 | 28.7          |
| Net income to Minority Interest                            | <u>(10.8)</u>        | <u>(8.6)</u>  |
| Net Income to Northern Border Partners                     | <u>\$25.1</u>        | <u>\$20.1</u> |
| EBITDA*  | <u>\$65.2</u>        | <u>\$59.8</u> |
| Distributions paid to Northern Border Partners             | \$22.0               | \$21.6        |
| Distributions paid to Minority Interest                    | <u>\$9.4</u>         | <u>\$9.3</u>  |
| Total Distributions  | <u>\$31.4</u>        | <u>\$30.9</u> |

\*Represents net income plus minority interest, interest expense, net and depreciation and amortization less equity AFUDC.

**Operating Highlights**  
(Unaudited)

|   | <b>First Quarter<br/>2001</b> | <b>2000</b>    |
|---|-------------------------------|----------------|
| <b>Crestone Energy Ventures, L.L.C.</b>   |                               |                |
| Operating Results:                        |                               |                |
| Volumes (MMcf/d):                         |                               |                |
| Powder River                              | 385                           | 0              |
| Wind River                                | 111                           | 0              |
| Financial Results (In Millions):          |                               |                |
| Operating Revenue                         | <u>\$5.5</u>                  | <u>\$0.0</u>   |
| Operating Expenses                        |                               |                |
| Operations and Maintenance                | 4.1                           | 0.0            |
| Depreciation and Amortization             | 0.5                           | 0.0            |
| Taxes Other Than Income                   | 0.2                           | 0.0            |
| Total Operating Expenses                  | <u>4.8</u>                    | <u>0.0</u>     |
| Operating Income                          | 0.7                           | 0.0            |
| Equity Earnings (Losses) from Investments | <u>(0.2)</u>                  | <u>(0.4)</u>   |
| Net Income                                | <u>\$0.5</u>                  | <u>(\$0.4)</u> |
| EBITDA*                                   | <u>\$2.6</u>                  | <u>(\$0.2)</u> |
| Distributions Received from Investments   | <u>\$1.0</u>                  | <u>\$0.0</u>   |

Note: There are no operating results reported in first quarter 2000 for Crestone Energy Ventures, L.L.C. since a majority of the assets were acquired in September 2000.

\*Represents net income plus minority interest, interest expense, net and depreciation and amortization less equity AFUDC.

### Operating Highlights

(Unaudited)

|                                     | <b>First Quarter</b> |              |
|-------------------------------------|----------------------|--------------|
| <b>Black Mesa</b>                   | <b>2001</b>          | <b>2000</b>  |
| Operating Results:                  |                      |              |
| Tons of Coal Shipped (In Thousands) | 1,367                | 1,273        |
| Financial Results (In Millions):    |                      |              |
| Operating Revenue                   | <u>\$5.4</u>         | <u>\$5.3</u> |
| Operating Expenses                  |                      |              |
| Operations and Maintenance          | 3.1                  | 3.4          |
| Depreciation and Amortization       | 0.7                  | 0.7          |
| Taxes Other Than Income             | <u>0.2</u>           | <u>0.2</u>   |
| Total Operating Expenses            | <u>4.0</u>           | <u>4.3</u>   |
| Operating Income                    | 1.4                  | 1.0          |
| Interest Expense, Net               | <u>(0.4)</u>         | <u>(0.5)</u> |
| Net Income                          | <u>\$1.0</u>         | <u>\$0.5</u> |
| EBITDA*                             | <u>\$2.1</u>         | <u>\$1.7</u> |

\*Represents net income plus minority interest, interest expense, net and depreciation and amortization less equity AFUDC.

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